GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:591
ANSWERED ON:02.03.2007
TARGET FOR LOAN TO MINORITY COMMUNITIES
Jagannath Dr. M.

Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India (RBI) is considering a proposal for earmarking 6% of loans to the borrowers from Minority Communities as a sub-target under priority Sector lending norms/targets set for Commercial Banks; and

(b) if so, the details thereof?

Answer

MINISTER OF STATE IN THE; MINISTRY OF FINANCE (SHRI PA WAN KUMAR BANSAI.)

(a)& (b): The Reserve Bank of India (RBI), had advised all domestic Scheduled Commercial Banks (public and private sector banks) on July 5, 2006 to ensure smooth flow of bank credit to the Minority Communities.Under the new `Prime Minister`s 15 Point Programme for the Welfare of Minorities`, domestic Scheduled Commercial Banks have also been advised on September 1, 2006 to ensure that within the overall target for priority sector lending and the sub-target of 10% for the weaker sections, sufficient care is taken to ensure that Minority Communities also receive an equitable portion of the credit.The data on credit facilities to the Minority Communities by the domestic Scheduled Commercial Banks, (Public Sector Banks and Private Sector Banks) for the last five years are givenbelow:

Amount (Rs.in Crore)

Year	Pnoritv Sector Advances (PS)	Share of Minority Community in Priority Sector in 44 identified districts	Amount of credit to Minority Communities (in all districts)	
	(B)	Amt. (A)	% Share to PS (A/B)	
March2002	2,05,604	18,468	8.98	3,068
March2003	2.50,988	21,903	8.72	3,612
March2004	3,11.335	34,654	11.13	3,980
March2005	4,00,775	35,356	8.82	5,201
March2006	5,47,393	45,491	8.31	6,261

(Figures rounded off to nearest crore).